

BACK TO BASICS

Insurance Coordinator Training

Kentucky
UNBRIDLED SPIRIT™

Welcome

Thank you for coming today!!

Please make sure you sign in...



Today's Agenda

- What's New?
- KEHP Partners
- Qualifying Events
- Types of Leave
- COBRA and HIPAA
- Web Enrollment
- Reminders





What's New?



Wellness Works Kentucky!

- ✓ Christy Brooks, Health and Wellness Director
- ✓ Cindy Dempsey, Keyana Best and Jerry Jones
- ✓ Phone number 502-564-9745
- ✓ Web site www.wellnessworks.ky.gov
- ✓ Email address wellnessworks@ky.gov



Wellness Works Kentucky!

LIVING WELL, WORKING WELL:

MIND, BODY & SPIRIT



Wellness Works Kentucky!

Vision

To achieve a wellness lifestyle for the Commonwealth's workforce that is healthier, happier and more productive

Mission

The Wellness Program is charged to promote healthier lifestyles through education, statewide partnerships and initiatives that will positively impact the mental and physical well-being of the Commonwealth's workforce.



Wellness Works Kentucky!

Goals

To enhance the awareness of the benefits of a healthy lifestyle;

To motivate employees to make healthy lifestyle choices;

To reduce healthcare costs associated with inactivity and unhealthy lifestyle behaviors;

To reduce absenteeism;

To improve productivity, team-building and morale in the workplace;



Wellness Works Kentucky!

Goals cont'd

To improve working conditions for a healthier, happier and safer environment;

To promote programs that enhance mental and physical well-being as well as proper nutrition;

To serve as a model for other states in wellness initiatives



Wellness Works Kentucky!

- Smoking Cessation Program
- Get Walking
- Personal Health Analysis (PHA)



Smoking Cessation

- Smoking Cessation – 4/1/2006
 - The KEHP will provide benefits for over-the-counter Nicotine Replacement Therapy.
 - Must be a smoker age 18 or older and covered under the KEHP
 - Must participate in an approved Smoking Cessation Program
 - Cooper Clayton
 - Kentucky Tobacco Quit Line
 - Will receive total of three months of NRT in a calendar year
 - \$5 co-pay for each 2 week supply



Smoking Cessation (Cont'd)

- Cooper Clayton
 - Offered through the Local Health Department in each county.
 - Participant must attend all meetings
 - 13 Weeks – 1 hour meeting
 - Failure to attend a meeting will disqualify participant from receiving NRT the following month.
 - Three months do not have to be 3 consecutive months.
 - If participant starts smoking again after one month, still eligible at a later date for 2 more months



Smoking Cessation (Cont'd)

- Cooper Clayton Process
 - Participant enrolls in Cooper Clayton Class
 - Participant takes Voucher to orientation meeting
 - Facilitator signs and indicates product and dosage
 - Participant faxes or mails this to DEI
 - DEI will contact Express Scripts for a prior approval for a one month supply of OTC NRT
 - DEI faxes or mails the voucher back to participant
 - Participant takes voucher to pharmacist to purchase NRT product.
 - Participant must repeat procedure every month for the 3 months



Kentucky Tobacco Quit Line

- Free Statewide telephone-based tobacco cessation resource
- Available 9 a.m. to 9 p.m. (EST) Monday – Friday
- Participant must talk with a counselor at least one time a week.
 - Failure to talk with the counselor will disqualify participant from receiving NRT the following month.



Kentucky Tobacco Quit Line

- Kentucky Tobacco Quit Line Process
 - Participant calls the Quit Line (1-800-QUITNOW)
 - The Quit Line counselor works with participant to set a “quit date”
 - Counselor will complete voucher and send to DEI
 - DEI will contact Express Scripts for prior authorization
 - DEI will fax or mail the voucher to participant
 - Participant takes voucher to pharmacist to purchase NRT products
 - Participant must repeat procedure every month for the 3 months



Get Walking

- Pilot Walking Program
 - Personnel Cabinet
 - Cabinet for Health and Family Services
- Walks for all agencies TBA
- Team events
 - Competition among teams encouraged
- Activity will be tracked
- Prizes will be awarded



Personal Health Analysis

- What is a Personal Health Analysis?
 - Tool used to assess member's health and lifestyle
 - Tool used to determine if member can benefit from disease management programs
 - Provides feedback to members on ways to improve their health
 - Provides questions for members to ask their physicians
 - Provides Web site links specific to member's health
 - www.humana.com or www.myhumana.com
 - Pop-up blockers must be disabled
 - We encourage everyone to complete the PHA!



Kentucky Employees Health Plan Partners



KEHP Partners

- Humana
 - Active Health
 - ✓ Offers Disease Management, Case management and Utilization Management programs
 - Ceridian
 - ✓ Offers COBRA administration services
 - Gordian
 - ✓ Offers a Personal Health Analysis (PHA) which is available at www.humana.com
 - CorpHealth
 - ✓ Provides mental health and substance abuse services
- Express Scripts, Inc.
 - Curascripts
 - ✓ Provides certain oral and injectable specialty medicines
 - ✓ Will mail medications along with all needed supplies



Enrollment and Eligibility



Who is Eligible?

- Full-Time Employees
- Retirees
- Dependents
- COBRA Qualified Beneficiaries



Who is Eligible?

- **Full time employees** of the following agencies who contribute to one of the state sponsored retirement systems:
 - State Agencies
 - Boards of Education
 - Health Departments
 - Quasi Agencies

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Added the build and unline comments

per160, 07/08/2005

Who is Eligible?

- **Retirees**

Under age 65 and

Draw a monthly retirement check from:

- Judicial Retirement Plan
- Legislators Retirement Plan
- KY Community & Technical College Systems (KCTCS)
- KY Teachers' Retirement System (KTRS)
- KY Retirement Systems (KRS)
 - County Employees Retirement System (CERS)
 - KY Employees Retirement Systems (KERS)
 - State Police Retirement System (SPRS)



Who is Eligible?

- **Dependents**

- Spouse

- ✓ Qualifying Child/Qualifying Relative*

- ✓ Coverage for dependent children terminates at the end of the year in which they turn 23

- Disabled dependents may remain in the KEHP beyond age 24*

*Refer to the Administration Manual for details



Who is Eligible?

- **COBRA Qualified Beneficiaries**
 - Former employees
 - Spouse
 - Children

New Employees

- Have 30 days from their date of hire to:
 - Complete a health insurance application electing or waiving coverage
 - Enroll in a flexible spending account (if offered)
 - ✓ Commonwealth Choice - the health and FSA application is combined
- Effective date is the first day of the second month following the hire date (e.g. hire date is 4/15/06; effective 6/1/06)



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New Slide

per160, 07/08/2005

New Employees

- If the application is not signed within the deadline, the employee will not have coverage
 - coordinators will complete an application with 999 code.
- Not eligible to enroll until the next Open Enrollment or experience a qualifying event



Cross-Reference Payment Option

- Requirements:
 - Legally married
 - Both eligible employees or retirees* of the KEHP
 - Same Plan Options
 - Both must sign the application.

*Retirees of the Judicial and Legislators Retirement Plan are not eligible.



Cross-Reference Payment Option

- **When can the cross-reference payment option be selected?**
 - New Employee*
 - New Retiree*
 - Marriage*
 - Birth/Adoption*

* Restrictions apply



Cross-Reference Payment Option

- **Ending a cross-reference payment option**
 - Termination of employment*
 - New retirement
 - Qualifying event which allows member to drop spouse
 - Qualifying event which allows member to drop the only covered child

*A cross-reference payment option terminates when one of the employees terminates employment; however, the level of coverage will remain the same. The remaining employee will pay the full cost of the plan. A change in Plan option is allowed.



Qualifying Events



Effective Dates

- If adding dependents
 - effective 1st day of the month following the date employee signs the add form
- Examples:
 - Marriage
 - Dependent losing other coverage
 - Divorce – if losing other coverage

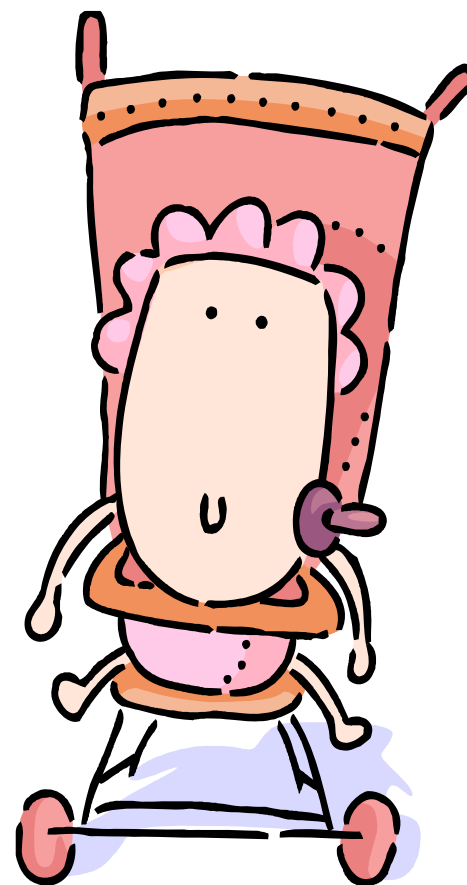


Effective Dates

- If adding newborns or newly adopted children with no tag-alongs:

- Date of birth

Employee has 60 days from the date of birth/adoption/ placement for adoption to add baby or newly placed/adopted child



Effective Dates

- If dropping dependents
 - end of the month employee signs drop form

Example:

- Spouse/dependent gains other group coverage



Effective Dates

- If dropping dependents due to:
 - Divorce or
 - Dependent moving out of household

Effective the end of the month the spouse or dependent becomes ineligible



2006 Specific Guidelines

- Loss of other coverage includes:
 - Loss of other employer-sponsored group coverage
 - Loss of other group health coverage or health coverage (individual policies) such as short-term, limited duration insurance and student health insurance
 - Loss of entitlement to governmental group health insurance
- Gaining other group health coverage:
 - Must be **group** health coverage
 - Supporting documentation is required
 - Requests for changes due to this QE can be pre-signed

2006 Specific Guidelines

- Pre-signing
 - Now allowed for gaining other group coverage
 - A change will **not** be made effective prior to the event date
- Plan option changes
 - Allowed with most QEs
- Tag-alongs
 - May be added with most QEs



2006 Specific Guidelines

- Break in Service (employment)
 - The break in service time to be able to make new coverage elections is now 30 days (not 63)



Supporting Documentation

- Divorce/Legal Separation/Annulment (if dropping members from policy)
 - Filed decree signed by a judge and date-stamped “filed”; or
 - Filed legal separation or annulment papers signed by a judge and date stamped “filed”

Supporting Documentation

- Loss of other health insurance coverage (group or individual)
 - HIPAA certificate providing proof of lost coverage; or
 - Letter from prior employer; or
 - Letter from insurance company; or
 - Letter from governmental agency under which prior coverage was held

Supporting Documentation

- Adoption/Placement for Adoption
 - Placement papers from the Cabinet for Health & Family Services; or
 - Signed & date stamped “filed” papers from the court; or
 - Letter from adoption agency on letterhead; or
 - Legal document from US court; or
 - Official documentation translated into English, if applicable and/or copy of the child’s visa, if foreign adoption

Supporting Documentation

- Judgment, decree or administrative order relating to health coverage for child
 - Filed and dated court decree; or
 - Agency administrative order; or
 - National Support Notice
- Adding a:
 - Grandchild
 - Guardianship or custody papers
 - Foster child
 - Documents from the Cabinet for Health and Family Services



Supporting Documentation

- Employee, spouse or dependent becomes entitled to Medicare
 - Initial eligibility letter; or
 - Copy of the Medicare card
- Employee, spouse or dependent becomes entitled to Medicaid
 - Initial eligibility letter

Supporting Documentation

- Spouse has different open enrollment period
 - Employer letter identifying open enrollment period dates, the effective dates of coverage or termination and who will be covered under the plan or dropped from the plan

Supporting Documentation

- Gaining other group health insurance coverage
 - Letter from employer on letterhead identifying coverage begin date and persons covered; or
 - Copy of new health insurance card for each covered person

Types of Leave

Types of Leave

- Leave Without Pay (LWOP)
- Paid Leave
- Military Leave
- Family Medical Leave Act (FMLA)

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Added info the LEAVE information does NOT apply to Quasi groups

per160, 07/08/2005

Leave Without Pay (LWOP)

- LWOP Highlights
 - If employees are on LWOP and they receive pay the month leave begins
 - the state contribution amount will be credited toward the health insurance premium.
 - If employees are on LWOP and they do not receive pay during the month
 - they will not be eligible for the employer health insurance contribution for the following month

Leave Without Pay (LWOP)

- LWOP Highlights
 - Premium must be received by the 20th of the month
 - If employee fails to submit premiums due by the deadline, the TPA may cancel the entire policy; if so, request a refund for any employer contribution
 - If the Open Enrollment period occurs while the employee is on LWOP – do not send open enrollment information to the employee
 - Employees will have 30 days from the date they return to work to make an Open Enrollment election
 - Employees must work at least one day in the month they return to work to be eligible for the state contribution for the following month



Paid Leave

An employee who has worked or been on paid leave (annual, sick, or compensatory time) for at least one day during a month will be eligible for the state contribution for the following month



Military Leave



- When employees are called to active duty they may choose to either:
 - Stop their health insurance coverage under the state group and be covered under Tricare; or
 - Keep their coverage under the state group plan along with their Tricare coverage
- When employees return from military leave they will have all benefits reinstated upon return-effective the day they return

Family Medical Leave Act (FMLA)

- What is the Family Medical Leave Act of 1993 (FMLA)?
 - Requires employers to allow eligible employees to take an unpaid, job-protected leave for certain family and medical events
 - FMLA is not a benefit, but is an entitlement
 - FMLA is not a qualifying event that would permit an employee to make a mid-year election change

Family Medical Leave Act (FMLA)

- How does FMLA affect health insurance?
Employers must maintain any “group health plan” under the same conditions as if the employee had continued employment during the leave
Employer must provide payment options for the employee during the leave
FMLA is available on an annual basis

Family Medical Leave (FMLA)

- What payment options do employees have?
 - Pre-pay: This option allows an employee to pay for benefits up front at the beginning of the leave
 - Pay-as-you-go: This option permits employees to pay for benefits on a month by month basis.
 - Catch-up: This option permits employees to pay for benefits upon return to work. The employee and the employer must have this agreement before the leave begins.
 - Waive: This options permits employees to cease benefits during the leave and then reinstated upon return.

When to Use What Form

- Dependent Add Form Use this form when adding dependents due to:
 - birth
 - loss of other coverage
 - marriage, etc.



When to Use What Form

- Dependent Drop Form
 - Use this form when dropping dependents from a plan due to:
 - child ineligibility
 - divorce
 - spouse/dependents obtaining other coverage, etc.



When to Use What Form

- Health Insurance Update Form

Use this form for:

- transfers (< 30 days)
- terminations
- Starting/ returning LWOP
- reinstatements
- new baby social security numbers
- demographic changes
- company number updates



When to Use What Form

- Health Insurance Application
 - New employee
 - If electing to cross-reference for first time
 - On leave during open enrollment and now employee returns to work
 - QE that allows employee to enroll if previously waived
 - Changing a plan option with a QE, when applicable

COBRA and HIPAA

COBRA

- Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA)
 - Provides an extension of health care coverage beyond certain qualifying events.
 - Who's eligible for COBRA?
 - Employees
 - Spouses
 - Dependent Children

COBRA

- What are the COBRA qualifying events?
 - Termination of Employment
 - Reduction of Hours
 - Death of the Employee
 - Divorce or Legal Separation
 - Entitlement to Medicare (Parts A & B)
 - Employer Bankruptcy
 - Dependent Child ceasing to be eligible under the plan

COBRA

- What should I do upon receiving a COBRA qualifying event notice?
 - Log on to Ceridian's WebQE and enter employee's information
 - Ceridian is responsible for sending COBRA information to employee
 - If you have questions please contact Sandra Shelton at sandra.shelton@ky.gov or call 888-581-8834
 - You may also contact Ceridian's help line at 800-469-0429

HIPAA

Health Insurance Portability & Accountability Act of 1996 (HIPAA)

- Insurance Coordinators must comply with the HIPAA regulations
 - HIPAA prohibits Personal Health Information (PHI) such as name, social security number, address, etc. from being disclosed without the individual's consent

HIPAA

- Can I communicate with the Third Party Administrator (TPA) on behalf of the individual?
 - No, an individual must contact the TPA for any questions regarding claims, payments, appeals, etc
 - 877KYSPIRIT (877-597-7474)
 - TPA can not provide the insurance coordinator with an employee's PHI unless they have authorization to disclose it

HIPAA

- How may I communicate with DEI?
 - When communicating via e-mail:
 - In the subject line of the e-mail type “CONFIDENTIAL Members Last Name”
- Example: CONFIDENTIAL Jones
- In the body of the e-mail only use the members first initial and the member’s last name followed by the last four digits of the member’s social security number

Example: JJones1234



Web Enrollment



Web Enrollment

Using the internet to make health insurance and FSA (Commonwealth Choice) elections



Web Enrollment

Employees & ICs will need the following to log on:

- Social Security number;
- Date of Birth; and
- 8 digit randomly-generated password

Security-related issues

- Account locks after 3 attempts
- Account unlocking
 - Contact insurance coordinator to reset password



Web Enrollment

- In 2006, as in 2005, employees will be able to enroll on the web during Open Enrollment
- Employees and insurance coordinators can update demographic information
- Employees and insurance coordinators can view current plan information
- Insurance coordinators can view reports and reset/assign passwords



Web Enrollment

Coming Soon...

- ICs will be able to enroll new employees online
 - End of April
- ICs will be able to terminate employees online
 - End of April



Reminders

Reminders

- **Please contact DEI whenever changes occur:**
 - Insurance coordinator change
 - Insurance coordinator phone number
 - Insurance coordinator fax number
 - Agency address
 - Insurance coordinator e-mail address

Reminders

- Use transmittal log sheets for all documentation that is mailed to the Department for Employee Insurance (DEI)
- Fax emergency access-to-care issues **only!**
- Destroy old forms. Most current forms can be found on the Web site @

<http://personnel.ky.gov/stemp/dei/05planyear/hiforms.htm>



Reminders

- **Time Frames**

- Employees have 30 days from their date of hire to elect health insurance coverage or to waive their coverage
- When employees experience a qualifying event, they have 30 days in which to make a corresponding change to their plan, except for birth/adoption/placement for adoption, which is 60 days

Reminders

- **Flexible Spending Accounts (FSA)**
 - Employees have until March 31st of the new plan year to submit receipts for the previous year.
 - DEI ONLY administers the FSA accounts for state agencies.
 - Boards of Education will need to contact their FSA plan administrator.

Training

We welcome your suggestions for training topics!



Contact Us

Department for Employee Insurance

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Division of Special Programs

502-564-9745

Fax 502-564-0364

Member Services Branch

502-564-6534

888-581-8834

Fax 502-564-5278

Financial Management Branch

502-564-9097

Fax 502-564-0715

Enrollment Information Branch

502-564-1205

Fax 502-564-1085

Flexible Spending Accounts

502-564-0350

502-564-0351

Fax 502-564-0364

<http://personnel.ky.gov/stemp/dei/default.htm>

